

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF SOUTH CAROLINA**

IN RE:	)	CHAPTER 11
	)	
Geo. W. Park Seed Co., Inc.,	)	Case No. 10-02431-jw
et al,	)	(JOINT ADMINISTRATION)
	)	
	)	
<u>Debtors.</u>	)	

**FINAL ORDER AUTHORIZING THE USE OF CASH COLLATERAL**

The relief set forth on the following pages, for a total of 5 pages including this page, is hereby **ORDERED**.

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**FILED BY THE COURT  
04/27/2010**



Entered: 04/27/2010

Chief US Bankruptcy Court Judge  
District of South Carolina

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_____ Debtors.	)	

**FINAL ORDER AUTHORIZING THE USE OF CASH COLLATERAL**

This matter comes before the Court for hearing on April 27, 2010 at 9:30 a.m. ("Final Hearing") for entry of a final order authorizing the use of cash collateral (the "Final Order") upon motion (the "Motion") of Geo. W. Park Seed Co., Inc.; Jackson & Perkins Company, Inc. and Park Seed Wholesale, Inc. ("Park" or the "Debtors"), the jointly administered debtors. The Court issued an interim order granting the relief sought herein on a temporary basis on April 8, 2010, ("Interim Order") upon emergency motion, and extended the temporary relief by order entered April 21, 2010 ("Second Interim Order").

Upon the record of the Chapter 11 Case, of the Final Hearing, and the record of the interim hearings, and good and sufficient cause appearing therefore, and it appearing to be in the best interests of the Debtors' estate and creditors:

THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND  
CONCLUSIONS OF LAW:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. 1334.
2. This proceeding is a core proceeding pursuant to 28 U.S.C. 157(b)(2).
3. Venue of this proceeding is proper pursuant to 28 U.S.C. 1408 and 1409.
4. Notice of the Motion and opportunity for a hearing on the Motion was adequate and appropriate under the circumstances and no other or further notice with respect to the Motion need be given.

5. On April 2, 2010, the Debtors filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
6. The Court entered an Order Directing Joint Administration of the Debtors' Related Chapter 11 Cases on April 8, 2010, consolidating the cases for procedural purposes.
7. On April 16, 2010, L. Stan Neely ("Trustee") was appointed as Chapter 11 Trustee for the Debtors by order of the Court.
8. Prior to the Petition Date, the Debtors entered into certain security agreements with Wells Fargo Bank, National Association ("Wells Fargo"), C. Raker & Sons, Inc. ("Raker"), and Don Hachenberger ("Hachenberger").
9. Wells Fargo, Raker and Hachenberger (the "Secured Creditors") assert security interests in and to the cash collateral of the estate.
10. On April 2, 2010, the Debtors filed a Stipulation entered into with Wells Fargo and Raker (the "Stipulation") (Docket No. 6) and have subsequently reached agreement with Hachenberger ("Hachenberger").
11. The Trustee is unable to operate these businesses and to pay critical operating expenses without the ability to use Cash Collateral (as defined in Section 363(a) of the Bankruptcy Code).
12. Wells Fargo, Raker and Hachenberger agree to the use of Cash Collateral by the Trustee in accordance with budgets which are attached hereto, under the conditions herein.

It appearing that use of cash collateral pursuant to the conditions contained in this order is in the best interests of the estates and creditors,

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Motion is granted on a final basis to the extent set forth herein.
2. The Trustee is authorized to use Cash Collateral in accordance with and up to the amounts contemplated by the Budgets attached hereto as Exhibits "A", "B" and "C" (the

“Budgets”). The Budgets may be amended, supplemented, extended or otherwise modified without further hearing or order by the Court so long as the changes do not vary materially from the Budgets. Use of Cash Collateral shall not be extended for a period of time beyond the Budgets without the consent of the Secured Creditors and the Creditors Committee.

3. Each person or entity that has a valid and perfected security interest in cash collateral as of the Petition Date is hereby granted a replacement lien on the post petition cash collateral with the same validity and priority as the pre-petition lien in cash collateral to the extent of diminution in value post petition (“Replacement Liens”). The Replacement Liens shall be junior in priority to all valid and perfected liens as of the Petition Date, but shall be senior to any and all liens or security interests arising after the Petition Date that are claimed or filed against any of the Debtors’ assets. The Replacement Liens shall be deemed perfected solely upon issuance of the Court of its order approving its Stipulation, without the necessity of filing any further financing or other statements.
4. The Trustee shall not make any payments to insiders other than as provided by the Budgets.
5. The Trustee is authorized and empowered to take all actions necessary to implement the relief granted in this Final Order.
6. The Trustee’s authority to use Cash Collateral shall terminate on the earlier of (1) the dismissal of the bankruptcy cases; (2) conversion of the bankruptcy cases under Chapter 7 of the Bankruptcy Code; or (3) final administration of the bankruptcy cases.
7. On or before June 1, 2010, the Trustee will provide information to the Secured Creditors and the Creditors Committee as to the actual cash flow compared to projections and will provide extended projections.
8. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the

Motion or otherwise waived.

9. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 7062, and 9014, or otherwise, the terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry. All time periods set forth in this Final Order shall be calculated in accordance with Bankruptcy Rule 9006(a).
10. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Final Order.

AND IT IS SO ORDERED.

JACKSON & PERKINS DIRECT MARKETING ("JPDM")  
ASSUMES A 4/2/2010 FILING

## Notes and Assumptions

	Buc	Budget	Actual	Variance	Budget	Actual	Variance	Budget	4/23/2010	Budget	5/7/2010	Budget	5/14/2010	Budget	5/28/2010
<b>A</b>															
Cash Receipts Budget															
J&P Retail Budget Demand - (reduced due to reduction in demand)	95%	500,000	374,326	(125,674)	500,000	525,813	25,813	435,000	435,000	435,000	435,000	435,000	435,000	300,000	275,000
J&P Retail Budget Cash Receipts	80%	400,000	250,989	(149,011)	400,000	278,226	(121,774)	348,000	348,000	348,000	348,000	348,000	348,000	285,000	261,250
Rose Revenue	62%	248,000	-	(248,000)	248,000	-	(248,000)	215,760	215,760	215,760	215,760	215,760	215,760	176,700	161,975
Other Goods	38%	152,000	-	(152,000)	152,000	-	(152,000)	132,240	132,240	132,240	132,240	132,240	132,240	108,300	99,275
Average number of roses shipped	\$ 12	20,667	33,327	12,660	20,667	-	(20,667)	17,980	17,980	17,980	17,980	21,351	21,351	14,725	13,498
Total Budget Cash Receipts	95%	400,000	250,989	(149,011)	400,000	278,226	(121,774)	348,000	348,000	348,000	348,000	413,250	413,250	285,000	261,250
<b>B</b>															
Cost of Goods Sold															
Freight	21%	105,000	70,000	(35,000)	105,000	-	(105,000)	91,350	91,350	91,350	91,350	91,350	91,350	63,000	57,750
Postage J&P Retail		10,000	-	(10,000)	10,000	3,427	(6,573)	10,000	10,000	10,000	10,000	10,000	10,000	5,000	-
Postage J&P Retail		5,000	-	(5,000)	-	25,000	25,000	5,000	5,000	5,000	5,000	-	-	5,000	-
Product Received from JP Wholesale (average \$4 per rose)		-	-	-	124,000	-	(124,000)	155,996	82,667	71,920	85,405	85,405	85,405	58,900	-
Product J&P Retail (remaining purchases to support 38% of Sales)		21,867	-	(21,867)	21,867	23,131	1,264	21,867	21,867	21,867	21,867	21,867	21,867	21,867	21,867
Customer Refunds		15,000	-	(15,000)	15,000	-	(15,000)	15,000	15,000	15,000	15,000	9,000	9,000	9,000	9,000
Total Cost of Goods Sold Expenses		156,867	70,000	(86,867)	275,867	51,558	(224,309)	299,213	220,884	209,137	217,622	194,272	194,272	157,317	-
<b>C</b>															
Other Expenses															
Payroll JPDM		-	-	-	5,000	5,000	-	-	5,000	-	-	5,000	-	-	5,000
Employee Benefits		1,000	-	(1,000)	2,500	-	(2,500)	3,900	1,000	1,000	1,000	1,000	1,000	2,600	800
Bank Fees		-	-	-	1,000	-	(1,000)	-	-	-	-	-	-	-	-
Contractors		-	-	-	814	3,500	2,686	710	600	710	64	64	64	-	600
Credit Card Fees		-	-	-	9,600	-	(9,600)	8,352	8,352	9,918	9,918	9,918	9,918	6,840	6,270
Miscellaneous Expenses		1,000	6,000	5,000	1,000	-	(1,000)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Insurance Property/Worker's Comp		1,100	-	(1,100)	1,500	-	(1,500)	300	1,986	-	-	-	-	1,800	-
Leases/Maintenance Contracts/Supplies/Information Services		-	-	-	6,438	-	(6,438)	-	6,438	-	-	6,438	-	-	6,438
Catalog J&P Retail		-	-	-	10,000	29,100	19,100	250,000	-	7,513	1,000	1,000	1,000	500	750
E-Commerce/Publicity		15,000	-	(15,000)	20,013	-	(20,013)	7,500	-	-	-	-	-	28,500	-
Taxes		1,100	-	(1,100)	1,700	-	(1,700)	28,750	-	-	1,100	-	-	2,680	-
Utilities & Telephone		28,800	6,000	(22,800)	59,565	37,600	(21,965)	302,292	31,889	14,728	25,420	43,920	43,920	20,858	-
Total Other Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>D</b>															
Restructuring Expenses															
Professional Fees (does not include estimated "tail" expenses)		-	-	-	-	-	-	-	43,290	-	-	-	-	-	55,000
Deposits		-	-	-	-	-	-	-	50,000	-	-	-	-	-	-
US Trustee Fees - (does not include "tail" expenses)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Restructuring Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Surplus/(Deficit)		214,333	174,989	(39,344)	64,568	189,068	124,500	(253,505)	1,937	189,385	170,208	46,808	46,808	518,889	546,764
<b>E</b>															
Cash Rollforward															
Beginning Balance		60,205	60,205	274,538	274,538	235,194	339,106	404,262	170,757	172,693	362,078	532,286	532,286	579,094	579,094
Deposits		400,000	250,989	(149,011)	400,000	278,226	(121,774)	348,000	348,000	348,000	413,250	413,250	413,250	285,000	261,250
Disbursements		(185,667)	(76,000)	109,667	(335,432)	(89,155)	246,274	(601,505)	(346,063)	(223,865)	(243,043)	(238,192)	(238,192)	(233,375)	(233,375)
Ending Balance		274,538	235,194	235,194	339,106	424,262	463,606	170,757	172,693	362,078	532,286	579,094	579,094	606,968	606,968
<b>F</b>															
Inventory Rollforward															
Beginning Balance		1,723,598	1,723,598	1,723,598	1,476,296	1,635,752	1,476,296	1,561,504	1,461,571	1,361,638	1,238,868	1,116,097	1,116,097	1,038,214	1,038,214
Sales		(140,000)	(87,846)	52,154	(264,000)	(97,379)	166,621	(277,796)	(204,467)	(216,558)	(230,043)	(185,155)	(185,155)	(150,338)	(150,338)
Purchases		21,867	-	(21,867)	145,867	23,131	(122,736)	177,863	104,534	99,787	107,272	107,272	107,272	80,767	80,767
Ending Balance		1,605,465	1,635,752	1,753,885	1,358,163	1,561,504	1,520,181	1,461,571	1,361,638	1,238,868	1,116,097	1,038,214	1,038,214	968,644	968,644

**JACKSON & PERKINS DIRECT MARKETING ("JPDm")  
ASSUMES A 4/2/2010 FILING**

Notes and Assumptions		Bur	Budget	Budget	Budget	Budget	Total
		6/4/2010	6/11/2010	6/18/2010	6/25/2010		Budget
<b>Cash Receipts Budget</b>							
J&P Retail Budget Demand - (reduced due to reduction in demand)		95%	250,000	150,000	75,000	-	3,690,139
J&P Retail Budget Cash Receipts		80%	237,500	142,500	71,250	-	3,049,215
Rose Revenue		62%	147,250	88,350	44,175	-	1,562,400
Other Goods		38%	90,250	54,150	27,075	-	957,600
Average number of roses shipped		\$ 12	12,271	7,363	3,681	-	163,527
<b>Total Budget Cash Receipts</b>		95%	237,500	142,500	71,250	-	3,049,215
<b>Cost of Goods Sold</b>							
Freight		21%	52,500	31,500	15,750	-	655,900
Packaging J&P Retail			10,000	10,000	10,000	10,000	103,427
Postage J&P Retail			5,000		5,000	-	50,000
Product Received from JP Wholesale (average \$4 per rose)			53,992	49,083	29,450	14,725	687,543
Product J&P Retail (remaining purchases to support 38% of Sales)			21,867	2,894	2,894	2,894	184,882
Customer Refunds			9,000	9,000	9,000	9,000	102,000
<b>Total Cost of Goods Sold Expenses</b>			152,359	102,477	72,094	36,619	1,783,752
<b>Other Expenses</b>							
Payroll JPDm			-	5,000	-	5,000	30,000
Employee Benefits			800		2,300	3,600	17,800
Bank Fees				1,000			2,000
Contractors		SS	-	-	64	-	6,248
Credit Card Fees		2%	5,700	3,420	1,710	-	60,480
Miscellaneous Expenses			1,000	1,000	1,000	15,000	15,000
Insurance Property/Worker's Comp		Part of SI	6,286	-	1,500	300	12,172
Leases/Maintenance Contracts/Supplies/Information Services		SS	-	6,438	-	6,438	32,192
Catalog J&P Retail			750	750	750	750	279,100
E-Commerce/Publicity			-	-	22,750	-	21,263
Taxes			1,100	-	1,700	700	80,000
Utilities & Telephone		SS	15,636	18,408	31,774	16,788	9,060
<b>Total Other Expenses</b>							565,315
<b>Restructuring Expenses</b>							
Professional Fees (does not include estimated "tail" expenses)					46,620		144,910
Deposits							50,000
US Trustee Fees - (does not include "tail" expenses)							-
<b>Total Restructuring Expenses</b>					46,620		194,910
<b>Net Cash Surplus/(Deficit)</b>			69,505	21,614	(32,618)	(100,027)	505,238
			616,269	637,883	605,265	505,238	
<b>Cash Rollforward</b>							
Beginning Balance			606,968	676,474	698,088	665,470	60,205
Deposits			237,500	142,500	71,250	-	3,049,215
Disbursements			(167,995)	(120,886)	(103,868)	(100,027)	(2,543,978)
Ending Balance			676,474	698,088	665,470	565,443	565,443
<b>Inventory Rollforward</b>							
Beginning Balance			968,644	907,386	860,405	838,361	1,723,598
Sales		35%	(137,117)	(98,958)	(84,388)	(14,725)	(1,754,768)
Purchases			75,859	51,977	32,344	17,619	872,425
Ending Balance			907,386	860,405	838,361	841,255	841,255





GEORGE W. PARK SEED CO., INC. ("Park Retail")  
ASSUMES A 4/2/2010 Filing

Notes and Assumptions		Budget 6/4/2010	Budget 6/11/2010	Budget 6/18/2010	Budget 6/25/2010	Total Budget
<b>A</b>						
<b>Cash Receipts Budget</b>						
Park Seed Retail Budget Demand	1	75,000	70,000	60,000	20,000	1,421,909
Park Seed Retail Budget Cash Receipts	1	80%	71,250	66,500	57,000	1,328,532
Wayside Budget Demand	1	80,000	70,000	30,000	-	1,236,674
Wayside Budget Cash Receipts	1	76,000	66,500	28,500	-	1,056,689
Park Garden Center	2	5,168	3,646	4,319	60,715	157,699
Holdback/Credit Card Float		-	-	-	-	(273,495)
Roses Sold through Wayside (Number of Units)		152,418	136,646	89,819	79,715	2,130
<b>Total Budget Cash Receipts</b>						<b>2,269,424</b>
<b>B</b>						
<b>Cost of Goods Sold</b>						
Freight	1	36,813	33,230	21,375	4,750	506,106
Packaging Park Retail	2	3,240	3,240	3,240	-	157,671
Product Received from JP Wholesale (assumes 20,000 roses)	3	\$	4	5,000	71,480	80,000
Postage Park Retail	2	-	-	2,500	-	85,310
Product Park Retail (remaining to purchase for spring - based on PO)	4	-	-	-	-	118,447
Customer Refunds		3,000	3,000	3,000	-	27,000
<b>Total Cost of Goods Sold Expenses</b>		48,053	44,490	30,115	76,230	974,534
<b>C</b>						
<b>Other Expenses</b>						
Payroll Park	1	-	114,112	-	114,112	720,953
Employee Benefits	2	3,600	3,600	10,350	5,850	84,910
Bank Fees	3	1,000	-	-	-	2,662
Contractors	4	-	-	288	-	15,561
Credit Card Fees	5	3,638	3,280	2,156	1,913	43,989
Insurance Property/Worker's Comp	6	35,037	-	6,750	1,350	70,826
Leases/Maintenance Contracts/Supplies/Information Services	7	SS	28,973	-	28,973	145,854
Catalog Park Retail	8	-	-	-	-	51,000
E-Commerce/Publicity	9	4,250	4,250	4,250	4,250	72,498
Maintenance/Repairs	10	-	-	-	-	8,694
Pinney Bowes postage	11	-	-	6,000	-	13,000
Taxes	12	4,950	-	7,650	-	26,000
Utilities & Telephone		52,493	154,215	37,444	156,449	41,270
<b>Total Other Expenses</b>						<b>1,297,167</b>
<b>D</b>						
<b>Restructuring Expenses</b>						
Professional Fees (does not include estimated "tail" expenses)	1	-	-	-	46,690	145,045
Deposits	2	51,870	(62,059)	22,261	(198,654)	50,000
US Trustee Fees - (does not include "tail" expenses)	3	42,130	(19,925)	2,332	(197,322)	-
<b>Total Restructuring Expenses</b>						<b>195,045</b>
<b>Net Cash Surplus/(Deficit)</b>						<b>(197,322)</b>
<b>E</b>						
<b>Cash Rollforward</b>						
Beginning Balance		281,173	333,043	270,985	293,246	290,914
Deposits		152,418	136,646	89,819	79,715	2,269,424
Disbursements		(100,548)	(198,705)	(67,559)	(279,369)	(2,466,747)
Ending Balance		333,043	270,985	293,246	93,592	93,592
<b>F</b>						
<b>Inventory Rollforward</b>						
Beginning Balance		999,932	906,457	877,083	859,883	1,326,486
Sales		(39,629)	(35,528)	(23,353)	(20,726)	(661,159)
Purchases (includes 20,000 JPW roses divided evenly over budget period)		6,154	6,154	6,154	6,154	179,985
Ending Balance		906,457	877,083	859,883	845,311	845,311

PARK WHOLESALE - 4-26-10 17.00 PROJECTIONS PARK WHOLESALE

7101

GEORGE W. PARK SEED CO., INC. ("Park Wholesale")  
ASSUMES A 4/2010 FILING

Notes and Assumptions

Cash Receipts Budget						
Park Wholesale Budget Cash Receipts						
Total Budget Cash Receipts						
A	1	275,170	189,772	170,795	85,397	3,406,716
		275,170	189,772	170,795	85,397	3,406,716
Total Budget Cash Receipts						
B	1	4,170	5,282	6,672	5,838	105,516
		10%				1,080
2	65%	14,640	24,046	43,367	37,946	581,698
3	From PO's	4,720	12,656	10,445	5,632	429,906
4	Customer Refunds	-	-	-	1,000	3,000
		23,530	41,984	60,483	50,416	1,121,200
Total Cost of Goods Sold Expenses						
C	1	-	169,498	-	169,498	1,016,988
2	0.87%	-	5,813	-	-	13,959
3	SS	3,600	3,600	10,350	16,200	80,100
4	Bank Fees	-	-	1,000	-	2,000
5	Contractors	-	-	288	-	12,834
6	Credit Card Fees	6,604	4,555	4,099	2,050	70,037
7	Insurance Property/Worker's Comp/Health	35,037	-	6,750	1,350	73,774
8	Leases/Maintenance Contracts/Supplies/Information Services	-	28,973	-	28,973	144,866
9	Catalog Park Wholesale	-	12,000	29,740	7,900	129,211
10	Taxes	4,950	-	7,650	1,000	3,000
11	Utilities & Telephone	50,191	224,439	59,877	230,121	1,602,978
		50,191	224,439	59,877	230,121	1,602,978
Total Other Expenses						
D	1	-	-	-	46,690	145,045
2	Professional Fees ( does not include estimated "tail" expenses)	-	-	-	-	50,000
3	Deposits	-	-	-	-	-
		-	-	-	46,690	195,045
Total Restructuring Expenses						
		-	-	-	-	-
Net Cash Surplus/(Deficit)						
		201,448	(76,650)	50,434	(241,829)	487,492
E	1	554,089	755,537	678,887	729,321	-
2	Beginning Balance	275,170	189,772	170,795	85,397	3,406,716
3	Deposits	(73,721)	(266,423)	(120,360)	(327,227)	(2,919,224)
		755,537	678,887	729,321	487,492	487,492
Accounts Receivable Rollforward						
F	1	852,989	619,519	482,565	378,489	2,450,018
2	Beginning Balance	19,176	15,825	-	-	413,248
3	Sales - booked	22,523	36,994	66,718	58,379	894,920
4	Sales - projected - Based on 2009 (less 25%)	-	-	-	-	-
5	Adjustments	(275,170)	(189,772)	(170,795)	(85,397)	(3,406,716)
6	Cash Receipts	619,519	482,565	378,489	351,470	351,470
		619,519	482,565	378,489	351,470	351,470
Inventory Rollforward						
G	1	1,725,287	1,717,543	1,719,912	1,730,357	1,627,768
2	Beginning Balance	(27,104)	(34,332)	(43,367)	(37,946)	(850,309)
3	Sales	19,360	36,702	53,812	46,578	958,530
4	Purchases	1,717,543	1,719,912	1,730,357	1,735,989	1,735,989
		1,717,543	1,719,912	1,730,357	1,735,989	1,735,989